

## Billing Information for Consumer Recovery Fund

### New Information

The Department of Motor Vehicles (DMV) began tracking the one-dollar fee for each vehicle sold by a dealer or a lessor-retailer on July 1, 2008, and will begin the collection of the fee in October 2008, for the Consumer Motor Vehicle Recovery Corporation (CMVRC).

### Billing Procedures

The billing procedures are as follows:

- Invoices will be mailed to dealer's and lessor-retailer's main business location or to the approved mailing address for the main business location. Sales by branch locations will be incorporated into the invoice mailed to the main business location; branch locations will not be sent separate invoices.
- Invoices will be sent at the end of each quarter (see chart below), beginning in October 2008.
- Dealers or lessor-retailers selling a lower volume of vehicles will be billed as fees accumulate, either at the end of a quarter or annually.
- Fees are due and payable upon receipt. Payment of the **exact** amount of the balance due **must** be mailed back to the DMV-OL Collections address shown on the invoice (see sample invoice attached). Payment of these fees **cannot** be accepted at DMV field offices, industry service centers, or by telephone.

DMV may take action to suspend or revoke the occupational license issued to a dealer or lessor-retailer for failure to pay the invoiced amount. Past due fees will be collected from the dealer's or lessor-retailer's surety company, which may result in automatic cancellation of the occupational license.

### Invoice Schedule

<i>Invoices will be issued in ...</i>	<i>for fees due for the months of...</i>
April	January, February, March
July	April, May, June
October	July, August, September
January*	October, November, December
*also for any fees not previously billed.	

## **Background**

Legislation effective July 1, 2008, created the Consumer Motor Vehicle Recovery Corporation, which will administer a recovery fund to safeguard consumers and maintain public confidence in the vehicle dealer industry. A fee of one dollar per vehicle sold by a dealer or a lessor-retailer will be collected by DMV and remitted to the CMVRC. Billing is limited to \$2,500 annually per dealer or lessor-retailer.

In May 2008, **OLIN** memo **2008-4**, [dmv.ca.gov/pubs/olin/08](http://dmv.ca.gov/pubs/olin/08) regarding the CMVRC was issued to the dealer industry via e-mail alert.

## **Reference**

OLIN 2008-04

*California Vehicle Code* §§4456.3, 11612 (b), 11617 (a), 11705 (8), 11711 (b) 11721 (b)

## **Distribution**

In August 2008, notification was sent via e-mail alert that this memo is available online, at [dmv.ca.gov/pubs/olin/olin.htm](http://dmv.ca.gov/pubs/olin/olin.htm) to the following:

- Dealers
- Lessor-Retailers
- Registration Services

## **Contact**

Questions regarding this memo may be directed to the Occupational Licensing Collection Unit, at (916) 229-3138.

MARY GARCIA, Chief  
Occupational Licensing

A handwritten signature in black ink, appearing to read 'Mary Garcia', with a stylized, cursive script.

Attachment: Sample Invoice

DEPARTMENT OF MOTOR VEHICLES  
CONSUMER MOTOR VEHICLE RECOVERY CORPORATION  
RECOVERY FUND INVOICE

**ATTACHMENT**

License No.: 00192  
Business name: My Vehicle Sales

Date: 00/00/00

**CALCULATION SUMMARY FOR THIS INVOICE**

Transaction Period	Report of Sale Transactions	Total Due
From: 7/1/08 Thru: 9/31/08	800	\$ 800
<b>Recovery Fund Fee Collection</b>		
Pursuant to the California Vehicle Code (CVC) §4456.3, effective July 1, 2008, licensed dealers/lessor-retailers shall pay a \$1 fee for each vehicle sold and reported to DMV on a new or used report of sale. The recovery fund fees collected by DMV shall be paid to the Consumer Motor Vehicle Recovery Corporation. DMV shall not charge a dealer/lessor-retailer more than \$2500 within a calendar year. Invoices will be issued quarterly, however dealers selling lower volumes may only receive one invoice per year. The department, after notice and hearing, may suspend or revoke the license issued to a dealer/lessor-retailer for failure to pay the fees required in CVC §4456.3		
For billing inquiries or questions, call (916) 229-3138 OL Collections.		

**2008 INVOICE HISTORY**

Invoice No.	Invoice Date	Adjustments	Payments	Credit Date	Balance Due
		\$ 0	\$ 0	00/00/00	\$ 0
0810xxxx	10/10/08	\$ 0	\$ 0	00/00/00	\$ 800
		\$	\$	00/00/00	\$
		\$	\$	00/00/00	\$
		\$	\$	00/00/00	\$
<b>Balance Due:</b>					\$ 800
<b>Note:</b> Past due amounts will be submitted for collection from your surety company, which may result in the automatic cancellation of your license pursuant to California Vehicle Code Sections 11617 (a) (2) and 11721 (b).					

**THIS BILL IS DUE AND PAYABLE TO DMV UPON RECEIPT**

↓ Detach Here ↓  
↓ Keep top portion for your records. Return bottom portion with payment. Do not staple, clip, or tape together. ↓

**Consumer Motor Vehicle Recovery Corporation Recovery Fund**

**Instructions:** Make check/money order payable to DMV, write the license number on the payment, detach the payment stub and **mail** in the enclosed return envelope. Payments cannot be accepted at local DMV offices.

License Number	Invoice Number	Invoice Date	Balance Due	Amount Enclosed
00192	0810xxxxx	10/10/08	\$ 800	\$

My Vehicle Sales  
1111 My Street  
My Town, CA 99999

DMV-OL Collections  
PO Box 932342 MS-L224  
Sacramento, CA 94232-3420